sponsored programmes/schemes are provided by banks as per norms stipulated under respective programmes/schemes by the Government and Reserve Bank of India.

Audit of Foreign Currency Account

2073. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether RBI ordered as special audit of the foreign currency (non-resident) accounts for the period April, 1990 to March, 1994;

(b) whether the foreign banks were also subjected to special audits; and

(c) if so, the reasons therefor and findings thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) A special audit has been instituted by the Reserve Bank of India to reconcile the books of the Reserve Bank of India and the authorised dealers handling foreign currency non-resident accounts transactions in order to locate any discrepancies in interest claims and purchases made by the authorised dealers from the Reserve Bank of India. The auditors have been advised to cover a period of four years from April 1, 1990 to March 31, 1994. The irregularities in individual banks, including foreign banks, if any, would be known only after the special audits are completed.

Expedite Reforms for Loans

2074. SHRI DEBABRATA BISWAS:
SHRI JOYANTA ROY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that World Bank has asked Government to expedite the reforms in order that India becomes qualified to get loans; and

(b) if so, the reaction of Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Since June 1991, the Government has initiated a programme of stabilisation and economic reforms. The objective of the Government has been to consolidate the gains of the reforms already undertaken as well as to accelerate the pace of reforms in the sectors in which the progress has so far been weak. Further reforms in these sectors is, therefore, not only a part of Government policy but will also make the environment more conducive and improve the viability of projects which World Bank can finance.

News-Item Captioned Lack of Exit Policy Hindering Investment

2075. SHRI VIREN J. SHAH: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news item which appeared in the 'Economic Times' of September 20, 1994 under the caption, "Lack of exit policy hindering investment";

(b) if so, what are the facts and the relevant details in this regard;

(c) whether absence of exit policy, re-infrastructural constraints and red tape are the major factors inhibiting sizeable Japanese investment in India; and

(d) if so, what concrete steps the Government have taken or propose to take to remove these and other constraints and to encourage foreign investment in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) The information is being collected and will be laid on the Table of the House.

Acceptance of Pay Orders Issued by Banks

2076. SHRI MOHAMMED AFZAL *ALIAS* MEEM AFZAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government Departments accept pay orders issued by the Banks;

(b) whether pay orders issued by the Non-scheduled Primary Urban Co-op. Banks are also accepted; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Cheques, drafts and Pay Orders issued by 'A', 'B' or 'C' class Central Co-operative Banks/Non-scheduled State Co-operative Banks are accepted as Security by the Government Departments.

(c) In view of reply to part (a) and (b) above, question does not arise.

Outstanding Loan Against Farmers

2077. SHRI BHUPINDER SINGH MANN: Will the Minister of FINANCE be pleased to state:

(a) the total loan outstanding against the farmers of the country, year-wise for the last three years;

(b) the total interest paid on these loans, year-wise; and

(c) the total subsidies paid to the farmers during these years, 'year-wise'?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) The Reserve Bank of India (RBI) has reported that the total amount of loans outstanding towards agriculture of all scheduled commercial banks for the last three years are as follows :

(Rs. in crores)

Year ended	Balance Outstanding
March 1992	18,830.65
March 1993	20,501.10
March 1994	20,794.72

(b) and (c) The data reporting system of the Reserve Bank of India does not generate the information asked for.

Proposal for Tax Holiday

2078. SHRI BHUPINDER SINGH MANN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the proposal of tax holiday for some backward areas of country for their upliftment is under consideration;

(b) if so, the details thereof; and

(c) whether this benefit will also be extended to the border districts of Gurdaspur, Amritsar and Ferozepur of Punjab ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.

(b) and (c) The Report of the Study Group on Identification of Backward Districts is under the consideration of the Government.

Incentive to Rajasthan/Orissa by World Bank

2079. SHRI RAMDAS AGARWAL : Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has agreed to lend India about $ 2.5 billion, including $ 1 billion from its concessionary. The International Development Association (IDA) during the current financial year as reported in the 'Economic Times' dated 25th November, 1994;

(b) how this fund is going to be utilised/distributed amongst States and for which projects/sectors; and

(c) what incentive World Bank or Central Government have provided so far to Rajasthan/Orissa and other States who are willing to carry out economic reforms, improve fiscal discipline and sharply reduce subsidies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) The World Bank, in India Development Forum Meeting held in Paris on 30th June and 1st July, 94, pledged $ 2.4 billion assistance to India which included $ 1.2 billion from IDA.

(b) An amount of US $ 193 million for Industrial Pollution Control, US $ 260 million for District Primary Education Project and US $ 150 million for Andhra Pradesh Health Systems has been tied-up with the World Bank. Remaining amount is expected to be tied-up during the course of the year. The utilisation of these loans will be spread over the entire project life.

(c) Government has already taken steps to provide 100% as additional central assistance, release of 25% of the annual expenditure as advance additional central assistance to State Governments.

Posting of SC/ST Employees to far-off Places

2080. SHRI RAMNATH KOVIND: Will the Minister of FINANCE be pleased to state:

(a) whether Finance Ministry have directed all the Nationalised Banks not to post SC/ST employees to far-off places;

(b) if so, whether it is implemented in Syndicate Bank; and

(c) if not, whether Government will issue fresh guidelines not to post SC/ST employees to far-off places from their home town keeping social and economic conditions of SC/ST community in view?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (c) Transfers in the Public Sector Banks are generally governed by the transfer policies settled between the respective managements and their employees. These transfer guidelines are common for general, SC & ST and other categories of employees. However, all banks, including Syndicate Bank, were advised by the Government on 31-10-86 that officials should desist from any act of discrimination against members of SC/ST communities, e.g., their transfer to far-off places and to insignificant positions, on the grounds of their social origin. Further, in respect of ST employees appointed against posts in clerical and sub-staff cadres, the public sector banks have been advised to take steps to post them nearest to their home towns/ places of domicile, as far as possible.